

BUSINESS LOAN APPLICATION

For Presentation to the Senior Loan Committee on AUGUST 9, 1994

BORROWER:

Kenneth and Linda Lay

Houston, Texas 77019

713/630-0007

Group:

Galleria

Division:

Corporate

Officer:

WGF

Date Last Presentation:

3/24/94

ACTION REQUESTED:

Approval to increase \$5,000,000 existing revolving line of credit to \$7,500,000.

****This will cancel out the \$7.5MM revolving line of credit, previously approved, for KLL & LPL Investments, Ltd.**

Grade:

Proposed 2

Date Last F/S:

10/19/93

Reporting Requirements:



Current balance \$ 3,969,392.40

Loan #62525-002

PURPOSE:

Personal expenses and investments.

RATE:

90 Day Libor + 1 3/4%

MATURITY/REPAYMENT:

1 Year; interest quarterly

COLLATERAL:

228,936 s/s Enron Corporation valued at \$31 1/8 per share at close of business 08/03/94 per CAD. Total collateral value \$7,125,633. Collateral is margin stock - maximum available value \$3,562,816.5

At a later date, additional collateral will be received to allow borrowings upto \$7.5MM

Margin agreement 70% -> Non margin stock
50% - margin stock

GUARANTOR:

None

SOURCE OF REPAYMENT:

- 1) Cash flow
- 2) Income from collateral
- 3) Sale of collateral

TOTAL DEBT

Committed: \$5,274,194.18

Outstanding: \$4,243,586.58

To the best of my knowledge all related debt is included in the presentation and the current loan will not cause the relationship to exceed lending limit restrictions.

Originating Officer: *[Signature]*

*NW
gr 2
\$42
to
debt 2*

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1 Year, interest quarterly

CREDIT ADMINISTRATION
☐ PRESENTATION REQUIRED
☐ APPROVED ☐ MOD. APPROVAL
☐ DECLINED ☒ APPROVED TO SLC

Grade 2 Date 8/8/94

Sig. T. Sany

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Originating Officer: _____

Includes cancellation
of previously approved 7.5MM to
Lay Family Ptshp.
Current Cash Flow
Statement Required.